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RUEHNE/AMEMBASSY NEW DELHI 1417  
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RUEHRL/AMEMBASSY BERLIN 1489  
RUEHKO/AMEMBASSY TOKYO 1260  
RUEHBJ/AMEMBASSY BEIJING 1504  
RUEAIIA/CIA WASHDC  
RHEFDIA/DIA WASHINGTON DC  
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC  
RUMICEA/USCENTCOM MACDILL AFB FL  
RHMFISS/JOINT STAFF WASHINGTON DC  
RUCNDT/USMISSION USUN NEW YORK 1044  
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SUBJECT: TAJIKISTAN'S FARKHAR DISTRICT STRUGGLES

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1.SUMMARY: Low cotton harvests the past few years are taking a toll on Tajikistan's southwestern Farkhar district. Transportation routes are poor throughout the province, electricity is scarce, and running water is only available in a few towns. Official trade with Afghanistan across the Pyanzh River is nonexistent because there is no bridge. President Rahmonov appointed a new Hukumat (district government) Chairman earlier this year to help "teach the people" to succeed in the post-privatization environment. But mounting debts to cotton futures companies, inherited land debt, insects, and an outdated irrigation network present huge obstacles for this poor district. END SUMMARY

#### THE ROAD TO FARKHAR

12. Farkhar district sits 220 km southwest of Dushanbe in the Khatlon region, separated from Afghanistan by the meandering Pyanzh River. The road to Farkhar from Dushanbe travels through the President's hometown of Dangara, meaning the road is in relatively good shape except for the winding and precarious portion through the Shar-Shar pass (often shut during winter.) When the \$18 million 2.2 km Shar-Shar tunnel being built by the Chinese is complete, it will take 40 minutes off traversing this pass. The road from Dangara to Gulistan is exceptionally smooth for Tajikistan, thanks to government upgrades in 2004 in preparation for the (subsequently postponed) celebration of Kulob city's 2,700th anniversary. After Gulistan, the main route turns into a poorly paved potholed road. South of the main city of Farkhar, the roads are mostly unpaved; leading to the Kokul border crossing, where the "roads" are nothing more than dry riverbeds. PolOffs' all-terrain vehicle had a hard enough time traveling this route; it is difficult to imagine transport trucks ferrying goods to the border crossing, especially in inclement weather.

COTTON: FARKHAR'S PRIMARY ECONOMY

13. Farkhar is among Tajikistan's oldest agrarian districts, with approximately 26,000 hectares of farmland. Around 4,000 hectares are naturally arable and used to grow wheat, but the yield is not high. The remaining 22,000 hectares are irrigated; 12,000 hectares for cotton and 8,000 for grain and fodder. Some land is used for vegetables and melons. Farkhar has not reached the state-issued cotton target for the past fifteen years (for which there is no monetary penalty), and was at 53 percent of the 2005 target. However, cotton remains the mainstay of the district's economy. One hectare of cotton gives 10-12 people work, while one hectare of grain requires only one person's labor.

14. Aggressive pests, water shortages, and land debts keep Farkhar farmers on the edge of poverty. Last year, during early summer, several very cold days impeded critical cotton growth, and the exceptionally hot mid- to late-summer weather encouraged insect infestation. Farmers cannot afford pesticides or the required year to let land go fallow to fix pest infestation. The Pyanzh flooded in late summer and washed away the irrigation canal that feeds Farkhar district. The government has put a high priority on fixing the irrigation canal by the Chubeck dam that supplies water to several districts from the Pyanzh River before this summer. Farmland in Farkhar does not appear to suffer from over-salinization, a problem often associated with irrigation.

15. Large amounts of land debt hang over Farkhar's farmers. Current land tax debt stands at approximately 2.5 million somoni (\$776,398). Additionally, farmers owe around \$15 million to agricultural "futures" companies, \$8 million to a single futures company, run by the "Zamin" business conglomerate. The company is owned by KhatlonZamin Association, formed in 1989 by Faizali Hakimov and currently run by his brother Mahmatali Hakimov.

NEW FARKHAR GOVERNOR: I'M HERE TO TEACH THE PEOPLE

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16. In a March 23 meeting with visiting PolOfs, the new Hukumat Chairman Ghulom Boyakov said he was sent to Farkhar two months ago by President Rahmonov to help the people "change their priorities" from the state providing everything, to individual initiative. Boyakov said in the past, all resources were delivered from the government, but this is not the case now. His goal is to help them work in this new farming environment, although Boyakov noted that the results of privatization of processing enterprises and state and collective farms are "not yet positive." As for combating corruption, the Chairman said that from his perspective he does not feel that corruption is so obvious, and he took pains to tell PolOfs that he had "already made his own wealth." (COMMENT: This likely was a reference to his position as head of the cotton board in the mid 1990's. END COMMENT.) Boyakov conceded, however, that it would be important to make sure that corruption does not exist in tax and land inspections, and other law enforcement activities.

A VERY POOR DISTRICT

17. The poverty in Farkhar district is stark. The main town (also named Farkhar) is as good as it gets, with some buildings hooked up to a sludge-like water supply that both looks and smells unappealing. Wealthier residents collect rainwater in large elevated tanks and use gravity to pump it into the house. Electricity to the main Hukumat building, hospital, and ginning companies is provided for one to two hours in the morning and for two hours in the evening; the power is sent from Sarband, a small hydropower station downstream of Nurek. The town has a network of cement drainage ditches that had a fetid smell even in the mild weather of late March. A silkworm home industry supplements incomes. Trees other than fruit trees and mulberry trees, used to feed silkworms, are cut for firewood to heat homes and are not replanted.

18. Traveling the road outside of the main town provides an even

starker picture. The nicer villages had one or two communal water pumps, although these were few and far between. The majority of dwellings were rudimentary mud brick buildings. Farkhar has a population of 127,000 with an unemployment rate of 40 percent - but this rate is relatively low because the majority of young working-age people have left the district for Dushanbe or abroad (about 5-6,000 residents are working in Russia.) Officially, there are 2,000 people registered as unemployed in Farkhar district. Little official trade with Afghanistan takes place, according to the Hukumat Chairman, because there is no bridge over the Pyanzh. Many of the quarter-century old irrigation systems are in disrepair and the drainage systems are blocked with dirt.

¶9. COMMENT: A decrease in cotton harvest yields and the flood last year have significantly increased hardships in Farkhar province. The new Hukumat Chairman clearly was brought in to fix some issues, but without additional government funds or investment projects he cannot do much. For example, when PolOfs were in his office he received a noncommittal return phone call from the Energy Ministry regarding his request for additional electricity. Moreover, with farmers' mounting debts to futures companies and no guarantee of future bumper harvests, it is hard to see how keeping cotton the primary crop will help farmers break even, let alone elevate living standards. The federal government is probably the only entity in a position to fix the irrigation canals leading to Farkhar to water the cotton plantings this summer. Without that assistance, next year will be even more difficult. END COMMENT.

¶10. BIO NOTE: Prior to being appointed the Farkhar Hukumat Chairman in early 2006, Ghulom Boyakov had been reelected to Parliament and a member of the Economy, Budget, Finance, and Taxes Committee. Boyakov does not speak English, was sharply dressed, and declined to talk about any Dushanbe political matters with PolOfs, claiming he was "really an economist." In 1976, Boyakov graduated from the Tajik Polytechnical University with a degree in electrical engineering. He was an engineer at the cotton gin in Farkhar district in 1974; instructor at the

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communist party committee in Farkhar 1980-88; head of the Department at Provincial Communist Party Committee 1988-91; deputy chairman and then chairman of the Committee of the Peoples deputies 1992-94; head of the cotton industry "Khlopokprom" of Tajikistan from 1994-97; and chairman of the Cotton Corporation "Pakhtai tojik" from 1997-99. Prior to being elected to Parliament for the first time in 2000, he worked as the chairman of "Cotton Service" company. Boyakov was born on 1 May 1950 in the Farkhar district and is married with 6 children. His son Davlat studied English in Nebraska for 3 months in the late 1990's and is now head of his father's Ziyoratsho cotton ginning company in Farkhar.  
HOAGLAND